

Date: June 17, 2026

To,
BSE Limited,
25th Floor, P. J. Towers,
Dalal Street, Fort,
Mumbai- 400 001.

Symbol: 544224

Dear Sir / Madam,

Sub: Intimation under Regulation 30 - Transcript of Earnings Call

Pursuant to the Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the transcript of the earnings call held on June 12, 2026.

Please also note that the transcript of the Earnings call will also be made available on our website - <https://afcomcargo.com/investors/corporate-announcements/earnings-call-analyst-calls-presentations/>

Kindly take the above information on record.

Thanking You,

For **AFCOM HOLDINGS LIMITED**

Name : Ajith Kumar
Designation : Company Secretary and Compliance Officer

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“AFCOM HOLDINGS Limited
Q4 FY26 Conference Call”

June 12, 2026



**MANAGEMENT: CAPTAIN DEEPAK PARASURAMAN – CHAIRMAN AND
MANAGING DIRECTOR – AFCOM HOLDINGS
LIMITED
MR. KANNAN RAMAKRISHNAN – WHOLE-TIME
DIRECTOR – AFCOM HOLDINGS LIMITED**

MODERATOR: MS. TEJAS VAITY – KIRIN ADVISORS

Tejas Vaity: Good afternoon everyone. Myself Tejas Vaity, on behalf of Kirin Advisors, I welcome you all to the Q4 FY26 Conference Call of AFCOM HOLDINGS Limited. From the management side, we have with us Captain Deepak Parasuraman, Chairman and Managing Director of the company. Good afternoon, sir. Welcome.

Deepak Parasuraman: Good afternoon, ma'am.

Tejas Vaity: We also have Mr. Kannan Ramakrishnan, Whole-Time Director of the company. Good afternoon, sir. Welcome.

Kannan Ramakrishnan: Good afternoon. Yeah. Thank you.

Tejas Vaity: Now I hand over the call to Mr. Kannan Ramakrishnan for opening presentation. Over to you, sir.

Kannan Ramakrishnan: Yeah. Is my screen visible to you?

Tejas Vaity: Yes, I can see it.

Kannan Ramakrishnan: Yeah. We can move on. Yeah. Okay. So good morning all and welcome to this session. And as the preamble was given, I will run through this presentation quickly and then we will have an interactive session and we will take up the questions and we will, put our best efforts to answer all your queries. Thank you all once again. Of course, and this is our vision and mission. And we are very happy to say that so far in our journey, we have kept our vision and mission very close to our heart and walking that path. And I'm sure that, the years to come, definitely we will make each every, the statement of our vision and mission comes true. Next.

In the first few slides, we have tried to capture, certain key highlights of financial year 2026 what we have done. And I'll quickly, run through this. And very happy to announce that, our airline has been, awarded as fastest growing airline in the freighter market by Aviation Cargo Express in their award ceremony. And then we have been awarded as the top airline by Air to Air Import in 2026 announced by Velana Awards, during the Velana Awards ceremony in Maldives. This award has been presented to us by the Maldivian, airport authorities.

And AFCOM Cargo also has been recognized as the freighter of the year during the same award, ceremony which was conducted in 2026, beginning. And this is our very proud moment. And also AFCOM has forayed into Australian Pacific region countries with the strategic relationship with Nauru Air Corporation belonging to Republic of Nauru. And these are all the announcements which we have made during the course of this year at various stages. Next.

Then we have, these are all the pictures. We have started, newer routes apart from, the our ASEAN region focus. Then we have started, the Sri Lanka and Maldives beginning of our, dry lease operations. And then last year, we also directly started calling on, to the Middle East. And of course, these are all the pictures, when we called on for the first time. And from the Dubai airport and from Bangalore airport when we started our, the first journey. These are all the newer things, initiatives which we have undertaken, last year. Next.

And the relationship with, the Nauru has blossomed into, much more. And we have signed up some key, the understanding, memorandum of understanding to diversify our relationship with, few more other business, the opportunities. And those things have been communicated to the investors through our exchange filing. And this is the moments, which we have captured when we were signing up the MOU with Nauru team. Yes. Next.

And last year, we also have achieved, certain four, very key initiatives. And we have got, the strategic capital infusion. We have done, the QIB and for our, the phase two expansion of the fleet with wide-body aircrafts. And we also have, increased our capacity by the induction of, the additional third aircraft. And we also got our designated, carrier certification from the Indian government. And our company also got credit rated. So these are significant milestones, what we have achieved, during the last financial year. Next.

Of course, our USP is fast, flexible solutions for all cargo needs. And we are sticking to our basics. And that is the reason, we could provide interesting solutions to our freight forwarding community. And that's the reason for our growth as well. Next.

Now we move on to the financial, highlights. And in this slide, in the first part, we have captured, the Q4. And in the bottom part, we have captured the overall, the financial year numbers. The Q4 we have done, Q4 was one of the best, in the journey of AFCOM so far. And INR191.88 crores of, the revenue, which is 87.80% of, the growth over the same period last year. And which resulted into an EBITDA of 74.08 lakhs, which is a 51.52% year-on-year growth.

And which is, which has left with INR44.66 crores of, the PAT, which is 72.85% growth year-on-year for the quarter. And coming down, and for the financial year, whole year, the total recorded revenue is INR587.72 crores, which is 143.86% growth year-on-year. And which is, left with an EBITDA of INR238.14 crores, which is a growth of 211.72%. And the EBITDA margin has grown by 40.52%.

And PAT stands at INR121.90 crores, which is 230.05% year-on-year growth. And the PAT margin stands at 20.74%, which is a 542 basis points, growth year-on-year. And I would like to, call the attention of the investors, this result is as per the Ind AS standard. And during the, beginning of the last year, we have volunteered ourselves that, to all the main board compliances.

And we have, I'm happy to announce that we have with the Ind AS adoption, we have completed, all the necessary main board compliances, we have incorporated and now we are completely, as per the above, I mean, secretarial standard in terms of results, declaration on a quarterly basis and in terms of accounting standards and everything, as per the main board compliance we have been practicing and corporate governance also. And so this is the result of the Ind AS. Next.

And this is the, the numbers, which are given in little detail. Net sales as I, captured that, INR190 is the net sales and INR155, INR1.55 crores is the other income which is nothing but, the forex gain. And then there is a comparison, of the same period last year. And on the right-hand side, the entire 12 months, the period is given. And again, if you look at it, INR583 crores is the total revenue recorded.

And 461 is the other income and majority of the other income is, the forex and the interest income what, we have earned through our deposits. And the EBITDA we have given here and the net profit is given. And of course, EBITDA the percentage for the quarter and EBITDA percentage for the year is given. And net profit is given. And the EPS is given on the bottom. And the EPS has grown from 16.47 to 48.65 on the yearly basis. Next.

This is a quarterly comparison. And we have said that, 87.8% the growth on the revenue quarter, quarter-on-quarter. And 51.52% growth on the EBITDA and 72.85% growth on the net profit quarter-on-quarter. And an annual comparison which is 143.86% growth on the revenue and 230.05% growth on the PAT. Next.

Okay. The same numbers and along with the balance sheet figures. The total equity has, stands at INR457 crores. Total assets as INR935 crores. And here I should, you know, bring to your attention, as per the Ind AS standards, the leased assets are classified as the assets and liabilities separately.

The value of the assets are booked under right of use under that classification. And the leased rentals are classified as liability by charging the financial cost. So, I mean, when we go deeper into the explanation, I will explain to you what are the impact on the leased assets and in the P&L as well as on the balance sheet. Next.

Yeah. This is the cost structure. And this is the percentage we have given and percentage of, this is the cost on the percentage of revenue is given. Direct expenses stands at 54.4% and depreciation 12.3%, finance cost is 7.3%, employee is 2.4% and others are 5.6%. And the total expense stands at INR434.6 crores for the whole year. Next.

This is the leased structure deep dive. And the assets, you know, the three aircrafts what have been put into use that the assets value is at INR306 crores and total lease liability for the entire, you know, the residual period stands at INR338 crores. And the current lease due, which is, you know, immediately due within the next 12 months, stands at INR49 crores and lease finance cost is INR16.1 crores. So INR49 crores plus INR16.1 crores becomes our, you know, the lease commitments for the next 12 months. And aircraft-wise, you know, that bifurcation is given below. Next.

This is a fundamental change between last year, you know, the financials what we have released as per the -- I mean, till the last quarter even, as per the GAAP, IGAAP, and now it is converted into the Ind AS. And this is one fundamental change in the IGAAP there was no concept of ROU, you know, right of use of assets and there was no concept of the finance cost being added for the lease rentals.

And now it is under the Ind AS that is completely taken out of from the direct cost and it is given below the EBITDA as a right of use of assets into the assets and the liabilities are shown separately. The liability is split into depreciation as well as the finance cost attributed to the lease rentals. Along with that, for the timing difference, whatever the forex gain or loss, that is also charged to the P&L. This is a fundamental difference.

And here we have given a comparison between the IGAAP and the Ind AS how the profit, you know, how that adjustments on a quarter-wise has been carried out. And if you look at it on the last column, and for the quarter, as per the GAAP, the profit -- you know, the PAT stands at INR46.32 crores and whereas on the Ind AS side, after given all these adjustments, stands at INR44.66 crores. Next.

Now coming to the Q4 operational highlights. Q4 from the dry lease we have generated INR160.49 crores of revenue. And Q4 we have done a lot of charters and, you know, of course, we all are aware that the entire month of March because of the impact of the war, a lot of the disturbance in terms of the scheduled airline operations, particularly the airlines which we're operating out of Middle East, and they suddenly have to stop their schedules because of which there was a huge demand. And we have pitched in and we have done our best -- to the best of our ability to provide solution for the stranded cargo.

So as a resultant of that we have done multiple charters between Chennai-Colombo, Colombo-Male, Chennai-Male and all in order to move the stranded cargo which are westbound. And also we have done a lot of charters from the eastern region also connecting those cargo to Maldives and from there the cargo was moving towards the West.

So if you look at it, you know, in the Q4, the charters, pure charters are 400 -- stands at 415 out of the total number of trips of 602 and average kgs per trip is 10,764.32 tons. And average revenue per trip stands at USD29,295.64. And average revenue per kg is USD2.72 as a yield. And we have done a weekly average of 23.42 trips per aircraft per week. And our average cost per kg stands at USD1.84 per kg during this quarter. Next.

And this is the overall, you know, the dry lease contribution towards our business for the whole year. We have done INR528.71 crores of revenue. We have done, you know, total 1,923 trips we have done. We have handled the volume of 24,353.42 tons. And we have done pure charters of 1,129. Out of 1,129 if you look at the last quarter itself, I think, one-third of it has been contributed in the last quarter itself.

That was kind of the charters what we have done. And average kgs per trip stands at 12.28 tons. And average revenue per trip stands at USD31,243.19. And average revenue per kg yield stands at 2.54. And weekly average number of trip per aircraft stands at 19. And the cost per kg stands at USD1.58. Next.

Now here we have tried to compare -- we have taken Chennai airport per se and we have done a deep study about the international cargo volume handled by Chennai airport. Happy to say that Chennai airport has grown better than the national average growth recorded at various other airports, I mean, in terms of international cargo volume.

And we are proud to say the main constituent of this growth has come from AFCOM because we are based out of Chennai obviously. And last year, Chennai has transacted 3.26 lakh metric tons which is a 12.5% growth year-on-year and 12.9% growth cumulatively between April to February, which is 2.3x more than the national average. Next.

And this slide gives a little more deeper, you know, in terms of the volume, 2,42,989 metric tons was transacted between April-Jan in '24-'25, which has grown to 2,74,068 metric tons. And similarly between April to Feb, 2,65,000 has grown to 3,98,000 metric tons, which is 12.9% growth vis-à-vis the same period. And this is all India cargo data.

And this is the international cargo -- I mean, the international growth in Chennai as I mentioned stands at 12.5% whereas international growth all India level stands at 5.4%. Chennai outperformance by 2.3x. Domestic growth also Chennai has recorded 10.8% vis-à-vis 7.4% growth across the all India level. Of course, we are not concerned about the domestic air cargo growth since we stay as an international carrier, but that gives a perspective about how the air cargo volume grows in our country. Next.

Then this comes to AFCOM's performance on the quarterly basis. Sorry? Can you move, ma'am?

Tejas Vaity:

Previous slide, ma'am? Yeah. This one.

Kannan Ramakrishnan:

Yeah. Okay. The quarterly performance and revenue and flights growth, you know, has been captured here. This data is pertaining to the AFCOM's performance. Q-on-Q, I mean, quarter-on-quarter, how we have progressed in terms of revenue has been captured. And Q2 recorded a revenue growth of 7% with the 20.2% of, growth in the trips. And Q2 to Q3 and Q3 has recorded 15.96% of growth in the revenue with a 12.3% of growth in the trips.

And Q4 has recorded a revenue growth of 15.94% over Q3 with a 19.92% of growth in the trips. The growth in the trips here and on the right-hand side on the chart if you look at it, we have done 602 hour, trips and we have, clocked 1,490 hours. And this delta is because that, during the Q4 we have done multiple, short charters that is, between Chennai-Colombo, Colombo-Male. These are all the shorter sectors. And that's the reason that, though our trips have gone higher, the resultant, number of hours of total number of hours of usage on the aircraft has, has not, proportionately increased. Next.

This is our average aircraft utilization Q-on-Q. VT-AFO, VT-AFN, two aircrafts. And Q1 it was used between, I mean, AFO was used for 6 hours as on an average per day and AFN was used for 4 hours on an average per day. Which has grown to 9 hours and, on Q3 AFN has done around 11.45 hours, per day. And VT-AFN has done around 9 hours per day in the Q3. And in the Q4 obviously, we have to, use judiciously use both the machines.

We can't, flog only one machine. So, I mean, that planning, is been done by our planning department and engineering department. And basis which in the Q4 we have used AFN more and we have used, the AFN, relatively less and this is the resultant of that. And at the peak, VT-AFO has done 11.45 hours per day. VT-AFN has done 10.51 hours per day. And here we have also given some comparison.

The industry best is 10 to 14 hours of utilization per day per aircraft, which is from the dedicated freighters like FedEx and DHL. And Asia Pacific average stands at 7.9 and we were somewhere middle between, Asia Pacific and the industry best. And we will strive hard, to improve upon as the additional aircrafts join our fleet. Next.

This is the cargo ton kilometers growth and next slide, ma'am. Next slide. This is the cargo ton kilometers in millions. And in Q1 it was 7, grown to 8, 12 and 11. And the Q1 to Q3 was 82.5% growth. Q4 to Q3 is 5.8% is not a seasonal slip, but this 5 point this thing, because we have not obviously again the resultant of shorter sectors is playing here.

So number of trips are more, number of hours, the cargo was carried is less and the cargo ton kilometers is the resultant of this both and that's the reason, it is there is a slight dip. But on an average, IATA global CTK growth stands at 11.4% and our company is performing better than that. That is a key underlying factor here. Next.

And monthly revenue and yield trend we have given. Average, I mean, we have started -- ma'am, next slide. Yeah. I'm just looking at here, that's the problem. Okay. In this slide we have given what you call month-wise, the revenue. And here, month-wise yield we have given. If you look at it, month-wise revenue stands at around, in the range of around INR42 crores to INR44 crores. And the yield, per kg stands at, somewhere around INR229 in -- next.

This is an important slide. And we have given, the yield per kg analysis. Charter versus weight versus industry. And the yellow line is the charter and the red line is the industry average as per the IATA benchmark and the solid, blue line is the weight. So if you look at it, I mean, our utilization of the aircraft in the initial stages on the Q1 was low on the charter more on the weight basis.

But slowly and gradually we have improved and, the -- what you call the charter penetration and we have averaged out, we have arrived at a good, balance between the charter and, the weight. And that is also the resultant of the market, the dynamics and market demand. But be happy to say that, our yield per kg stands better than the IATA's industry average, which is INR222. Next.

This is a quarter-on-quarter in terms of the performance. Number of trips how it has grown, charge weight how it has grown, and, the revenue per kg, this is in INR how it has grown and on the right-hand side bottom, it is given in the USD also how it has grown. Next.

Coming to the quarter four cost analysis. Quarter four alone, the dry lease cost stands at fixed cost stands at 37%, variable cost stands at 54% and the other cost and corporate overhead stands at 9%. And the again if we dwell deeper, out of the fixed cost, 39% is towards the lease rentals and 38% is towards the maintenance reserve.

This is also a very significant, change in the adoption of Ind AS. This maintenance reserve is a per hour basis, we allocate a certain amount of dollar for the future maintenance, which is a reserve what we created. Earlier it was treated in the balance sheet, but now as per the Ind AS it is, it is straight away on the year of, we provisioning it is charged to the P&L. And then the year when we draw for our usage, for the service, it is again charged back to the P&L.

So that's why, maintenance reserve stands at 38%. The insurance is 5% and other employee cost are 7%. And again, variable cost if 54% of overall cost stands for, for variable and that, if we dwell deeper, 59% of that variable cost amounts is belonging to the fuel and the trip support is 25%, ground handling stands at 9%, commission stands at 5% and then the other the airport related charges stands at 3%.

And the other costs if we dwell deeper, 11 -- I mean, 9% is the overall contribution of the other cost towards the 100% cost. That 9% if we if we deep dive, 11% belongs to finance, forex gain and loss, here it is, the loss is as per the Ind AS impact stands at 24%, amortization and depreciation stands at 29% again the Ind AS component of the lease rental, plays a role here and other expenses stands at 36%. Next.

The same thing for the overall year. Overall year the cost stands at, the 100% cost is split between the fixed, variable and other corporate overhead. 39% of our overall cost is belonging to fixed cost, 48% belonging to variable and 13% belonging to other cost and corporate overhead.

Now this 39% on a yearly basis if you look at it, 36% belonging to aircraft lease rental, 38% is maintenance reserve and 13% is crew salary and per diem, 6% stands for insurance and 7% stands for other employee cost.

And other employee cost is directly involved to the operation, but they are not the fly, flight crew. So they have been split as a other employee pool and their cost is captured here. And variable cost if we dwell deeper, 62% of the cost, belonging to the fuel, 24%, is the trip support and 10% is the ground handling, commission is 3 % and the other, the airport related charges stands at 2%.

And other cost if we dwell deeper, 9% is finance cost, forex gain and loss -- forex loss is 24%, depreciation and amortization stands at 30% and other expenses at 37%. This is the entire cost breaker. Next.

To sum it up, in the last three years, this company has grown 4x in terms of revenue, 4.8x it has grown in terms of net profit, 6.54x it has grown in terms of EBITDA. And the EBITDA margin has grown from 24.55% to 40.52% and the PAT has grown from 17.17% to 20.74%.

Next. And this is the detail, last 3 years comparison, the balance sheet and, you know, the P&L, you know, the numbers are given. And this is there, even in the exchange filing it is there. If there are queries, we will address it.

Next. The cash flows has -- shown up a, good positive the improvement. Cash flow from operations stands at positive INR36 crores roughly. And cash flow from financing is nothing but, the other, the invest, I mean, the equity generation activities and cash flow from investments.

So this is given, but the positive thing is what I want to communicate here is that cash flow from operations have, has turned the positive and with a close to INR36 crores of the positive cash flow from the operations.

Next. These are some of the key ratios. Return on equity stands at, 26.69%. Return on capital, employed stands at 35.62% for the current year. And there is a good, fixed asset to the turnover ratio. And interest coverage ratio also is at a healthy range. And the earnings per share has increased to INR48.65 in the current financial year.

Next. We have given a comparison of our market performance and from the day, we have listed our company and how the price movement has happened and that is also, you know, has been captured in the bottom slide.

Next. This is the summary. Our endeavors to provide holistic cargo solution to our customers, to create a reliable on-time performance with focus on safe flight operations, to build partnerships with the air logistics supply chain for seamless movement of cargo and our vision to be the most admirable cargo airline by all stakeholders. And we will continue to strive hard to achieve all these the four pillars which drives us constantly. Thank you all.

- Tejas Vaity:** Thank you, sir. We will now open the floor for Q&A. Yes, Mr. Priyanshu, please go ahead.
- Priyanshu:** Hi, sir. Congratulations on good set of results. Despite geopolitical tensions, we have grown like really phenomenal this quarter as well. Sir, like as the limit is only for one question, I just want to ask on the fleet side as we are planning to induct do more three flights last year, but we couldn't able to because of the regulatory norms and other things. When we are planning and what is the future looks like for the inducting of other airlines on the way?
- Deepak Parasuraman:** Sir, you're right, we had a plan of inducting three more, the third has been inducted. We are in the process of inducting the fourth and the fifth aircraft, which will happen shortly.
- Priyanshu:** Sir, like any timeline would you like to give tell for that?
- Deepak Parasuraman:** Sir, all I would say is that they will be operational, the third aircraft is operational, fourth and fifth will be operational definitely before the next quarter.
- Priyanshu:** And sir, for the just a follow-up, like after these two flights, we are also planning to induct two more flights which will be significantly having a much more volume than this. So like...
- Deepak Parasuraman:** Yeah, we are planning to induct the wide-bodies, that Boeing 777s.
- Priyanshu:** Yes, sir. So what will be the timeline for those two?
- Deepak Parasuraman:** Sir, the timeline for those two would be we definitely will have two by the end of this year, but for conservative principles of functioning, we're looking one to be operational in the last quarter of this financial year.
- Priyanshu:** So like by the end of FY27 we can expect those two to be...
- Deepak Parasuraman:** By the end of the calendar year, this year, it will be inducted, so at least one aircraft will be operational by the end of FY27 last quarter.
- Priyanshu:** Okay, sir. Thank you, sir. That's all from my side. I have...
- Deepak Parasuraman:** Thank you so much.
- Tejas Vaity:** Thank you, Priyanshu sir. Yes, Mr. Chintan, please go ahead.

- Chintan:** Yeah, thank you. I hope I'm audible.
- Deepak Parasuraman:** Yes, sir.
- Chintan:** So Kannan sir, Deepak sir, congratulations for fantastic set of numbers. Great to see, cash flow positive. So sir, just want to understand, our trade receivable actually increased this year. So how much is the more than 6 months old trade receivables we have on the books right now?
- Kannan Ramakrishnan:** Sir, trade receivables actually has not increased. In fact, if you look at it the pure terms, it has come down only because, the last year balance sheet period and this year if you look at it, the month-on-month average has gone higher. And of course, we all know that, the March was one of the, you know, very big month for us.
- And obviously the credit norms stands at the 45 days, as per the IATA. And, if you look if you keep that into consideration, the higher numbers, what we have recorded between, the last quarter, our the receivables stands at around 60 days only. But, on an overall on an -- I mean, if you take the entire turnover divided by 12 and that way if you look at it, it stands at, only 80 days.
- And but that's not the right comparison because we have to go by the recent, you know, the billings. So basis that, we are well within the control. And to answer your second question that, you know, we don't have any outstanding which are more than 6 months.
- Chintan:** Okay. Sir, on the expense side we saw that the fuel cost went up, right? But recently there was this, we got the designated Indian carrier status. And it also helps us reduce some of the, the VAT from 5% to 7%. So has this been already been included in Q4 numbers or will we see this impact coming in on the next quarter onwards only?
- Kannan Ramakrishnan:** Sir, there was a the con, I mean, the impact of that, to the extent in the month of March was there. And but overall on a yearly basis if you look at it was very less. And again, the designated carrier VAT benefit is applicable, you know, as we fill fuel for our outbound international trips, from any of the stations in within India.
- So the contribution or the benefit, percolated into the cost is less. But there was definitely a, you know, an contribution, because of the designated carrier. But on a entire benefit, you know, for that to reflect, this this current financial year will have that entire impact of that.
- Chintan:** And sir, how much...
- Tejas Vaity:** Sorry to interrupt, Chintan sir.
- Chintan:** Is this a follow-up question on this?
- Tejas Vaity:** Sure. Please go ahead.
- Chintan:** Sir, how much impact can we see on the upcoming numbers due to this?

Kannan Ramakrishnan: As I mentioned, sir, I mean, it will have an impact of, close to around 5% to 7% on an overall cost of the fuel.

Chintan: Okay. All right. Thank you, ma'am. I'll go back into the queue.

Tejas Vaity: Thank you. Mr. Smith, please go ahead with your question.

Smith: Hello. Good afternoon everyone.

Deepak Parasuraman: Good afternoon, sir.

Smith: Yes. So I was tracking one of our aircraft VT-AFN, which did not take any flight during last couple of weeks. So is it because of maintenance or something else?

Deepak Parasuraman: There are two factors here, sir. Yes, the aircraft was down for a couple of days for maintenance, that's point number one. I don't know where you've been tracking this, sir, because I don't want to, I mean, it's not my business to talk about the accuracy of these tracking mechanisms which are currently available, which are in my view is a little inaccurate because of the West Asian conflict.

Smith: All right. Understood. All the best.

Deepak Parasuraman: Thank you, sir.

Tejas Vaity: Thank you, Smith sir. Mr. Chaitanya, please go ahead with your questions.

Chaitanya: Hello. Hi, sir. First of all, congratulations for the good numbers. And sir, my question is, my first question is whether the third aircraft is operational or not?

Deepak Parasuraman: Yes, sir, it is operational.

Chaitanya: It's operational?

Deepak Parasuraman: Yes, sir.

Chaitanya: Okay. And sir, about whether fourth, what's the expectation for fourth and fifth aircraft?

Deepak Parasuraman: As I said, sir, before the next quarter of this financial year, it'll be operational.

Chaitanya: It will be operational?

Deepak Parasuraman: Yes, sir.

Chaitanya: And so whether they have arrived in India?

Deepak Parasuraman: No, sir. No, sir. They are on the way.

Chaitanya: Okay. Any expectation like when they can be arrived in India if you can tell?

Deepak Parasuraman: Very soon, sir. Very shortly.

- Chaitanya:** Okay, sir. That's great, sir. And sir, one more thing. I mean, due to some unforeseen some circumstances whatever, our financial year '25-'26 top line expectation was approximately INR1,000 crores, right, sir? But during the AGM it was revised to INR700 crores. And I mean, due to aircraft issues whatever, I mean, the delays maybe unforeseen delays. But after that again, I mean, it fell to our expectation was INR700 crores, right? But still it goes around INR583 crores.
- Kannan Ramakrishnan:** INR583 crores, sir. But if you look at it, sir, I mean, we have -- with the available two aircrafts and as you rightly said that with the available the challenges in terms of, you know, additional aircraft impact. So but we have, performed well -- we have performed beyond optimum level. And that's the reason, we could record this kind of a number with only the two aircrafts actually. So which is also, makes something very clear that as the capacity gets expanded, definitely, we will be in a position, to achieve the numbers whatever we have committed earlier.
- Deepak Parasuraman:** And we'll be there soon, sir.
- Chaitanya:** Yeah. Yes, sir. So I'm totally aware of that and the numbers are really good as far as financial '25-'26 is concerned. And also like conveyed by you in the press release, in March 2026 multiple orders were even more even more orders were received because of the all the disturbance worldwide in the March, right?
- But sir, I mean, what was the major reason between this? And as per this, I mean, hopefully in the in this particular quarter and this coming quarters multiple new aircrafts will be arrived. So what are expectations for financial '26-'27 for the top line?
- Kannan Ramakrishnan:** You are asking for the guidance for the next financial year, sir?
- Chaitanya:** Yes.
- Kannan Ramakrishnan:** It's very simple, sir. I mean, we have we have put up some numbers, with the available resources. And as the resources, even it becomes double, you can extrapolate it's going to be minimum double.
- Deepak Parasuraman:** But actually the resources are more than double.
- Kannan Ramakrishnan:** Yeah. I mean, I'm saying that on a conservative estimate also if you look at it..
- Deepak Parasuraman:** It'll be much more than double.
- Chaitanya:** It'll be much more than double and it's on the conservative side that we're talking about.
- Deepak Parasuraman:** Yes, sir.
- Chaitanya:** Okay. Okay.
- Tejas Vaity:** Sorry to interrupt, Chaitanya sir. I request you to wait back in the queue.
- Chaitanya:** Just one thing. You guys are doing sir really great. Thank you.

- Deepak Parasuraman:** Thank you, sir.
- Tejas Vaity:** Yes, Ashish sir, please go ahead.
- Ashish:** Yeah. Hi, sir. Am I audible?
- Deepak Parasuraman:** Yes, sir.
- Ashish:** Yeah. So my query is on third aircraft and second aircraft. So on the site you said already that this is not sure or accuracy is not confirmed, but yeah, we do track and I found that third aircraft was not running and second aircraft is not running from last 1.5 months. So can I assume that data is wrong and it is running perfectly like other plane, the VT-AFO is running?
- Deepak Parasuraman:** Two things, sir. One, two things, two parts to your two answers to your question, sir. One, my personal opinion is the inaccuracy of the data, more so the inaccuracy is heightened because of the West Asian conflict.
- The second part, yes, both the aircrafts are flying. With specific mention of AFJ, we are holding on to the aircraft quite a bit and not operating it primarily because, I don't know if I can say it with regard to any of the UPSI, but we are on the threshold of a large contractual flying into the Middle East from the end of this month. The aircraft is fresh out of C-check and I'll be able to carry out as much as 10 to 11 landings on that aircraft per day, so it's just being reserved for that. Sir?
- Tejas Vaity:** Hello, Ashish sir.
- Ashish:** Yeah. Sorry. Yeah. And my last question is 19 flight was what we have achieved per aircraft per week last year. So can we assume the same number or what the target on this year? If we assume like three planes, what is the number? 19 flights if we assume or it will be more?
- Kannan Ramakrishnan:** That's our last quarter. Sir, I mean, this is this will definitely, will get further optimized, sir. If you look at that is the reason, in this presentation, we have given the aircraft-wise the progression of its usage over the quarters if you look at it and is a consistent improvement. And as, the fleet gets expanded and the majority of the aircrafts, will go beyond this threshold.
- And even at this level, we are performing better than, we are performing somewhere between the what you call global average and the Asia Pacific average. But we will definitely have the, capability and, potential to push it further, which we will do that.
- Ashish:** Okay. Thank you, sir.
- Deepak Parasuraman:** Thank you, sir.
- Tejas Vaity:** Thank you, Ashish sir. Yes, Mr. Rohit, please go ahead.
- Rohit:** Yes. Thank you for giving me the opportunity. My question relates to aviation turbine fuel prices. As we know, ATF prices increased by more than 100% from April onwards and remain elevated in May as well. So could you please elaborate on how the company has managed this

significant cost increase? Additionally, what portion of this increase has been passed on to the customers through pricing adjustments?

Deepak Parasuraman: Sir, to answer your question, in our industry fuel cost is a direct pass-on to the end customer. It is done by virtue of a fuel surcharge added to the freight charges, which is also common in the passenger industry as well. You will always see a line item fuel surcharge. So the fueling companies announce their monthly fuel price per station and the surcharge is a direct reflection of the same and 100% of the increased fuel cost is passed on to the customer.

Rohit: So we are not expecting any margin decline in this quarter? We will be maintaining...

Deepak Parasuraman: No, sir. Maybe there is an increase in the margin primarily because of increased fuel surcharge. Air tickets are becoming more expensive, so air travel is getting impacted. However, cargo is not affected by that because it's purely B2B. So a little bit of drop in belly capacity cargo can only enhance the hardened freight rates.

Rohit: That answers my question. Thank you so much and all the very best.

Deepak Parasuraman: Thank you, sir.

Tejas Vaity: Thank you, Rohit sir. Yes, Mr. Bharat, please go ahead.

Bharat: Slightly long-winded question. I we can see that, there are of course in the presentation you have mentioned that the impact what you had on the Chennai airport's growth in the cargo volumes. And given that recently you've also tied up with the Noida airport and AISATS and how do you see, the overall cargo ecosystem benefiting because IndiGo, one of the largest carriers, has stated that the cargo opportunity in India is going to be phenomenal over the next 3-4 years. So how do you see, your role with respect to this movement and then how does Noida help you with respect to your global expansion?

Deepak Parasuraman: Sir, two or three things, sir, come in here, sir. Not only Noida airport, of course, 17th is the inauguration of the cargo terminal at Noida airport and AFCOM will be the first aircraft to be cargo aircraft to land there. So that's point number one. Now, as far as these airports are concerned, sir, one of the growing factors here has been the infrastructure for freight movement through airports.

So now there's been all the airports are getting very highly mechanized, advanced cargo logistics systems. The cargo warehouses are going growing in Mammoth size to handle the projected next four to five years of cargo movement in India and through India. So yes, Noida is going to be a big factor. And with the commencement of the international operations, we also plan to enter the Delhi operations to various international destinations, which is a big gateway for us, as also Mumbai.

Bharat: Fantastic to hear this, sir. And one follow-up, just wanted to check the USD, the INR depreciation would have a significant benefit in FY27 in our in our overall fares. Is that a fair understanding? So, you will see those benefits flowing in into your revenue this year.

- Deepak Parasuraman:** Yes, sir. As you saw, there is a INR1.55 crores of forex gain also in our balance sheet.
- Bharat:** Got it. Got it. Thank you very much, sir, and all the best.
- Deepak Parasuraman:** Thank you, sir.
- Tejas Vaity:** Thank you, Bharat sir. Yes, Neeraj sir, please go ahead.
- Neeraj:** Hi. Am I audible?
- Deepak Parasuraman:** Loud and clear, sir.
- Neeraj:** Yeah. So, my question is for Kannan sir. Kannan sir, our current tax for last year was INR36 crores. Out of there, INR33 crores is still outstanding to be paid. Why are we paying such a high interest cost because that interest expense is even not tax deductible, so effectively the cost come to 16-17% when we have INR62 crores of cash in in our books and also, we have a positive cash flow from operation. We should pay advance tax and reduce this burden.
- Kannan Ramakrishnan:** We have we have paid some advance tax, sir, but as you I mean, rightly pointed out that it is not to the extent of, you know, our entire this thing. And this is definitely a point of improvement which we will we are working on it. Current year, you know, we will be addressing that, you know, quite positively.
- Neeraj:** Sir, but INR33 crores outstanding, so we have paid only a portion of the advance tax like that too I guess mostly from the TDS deduction. So, I will...
- Kannan Ramakrishnan:** No, we have paid physically apart from TDS deduction, we have paid physically also, but it was not, you know, corresponding to the overall tax liability, you know, what finally we have landed up with. So definitely, you know, this is a point, you know, which we will work on progressively in the current year.
- Neeraj:** Okay. Thank you. All the best.
- Kannan Ramakrishnan:** Thank you.
- Tejas Vaity:** Thank you, Mr. Neeraj. Yes, Imran sir, please go ahead.
- Deepak Parasuraman:** Yes, sir.
- Imran:** Thank you for, you know, giving retail investors this opportunity to being, you know, part of this tremendous wonderful journey. I have been tracking, you know, the company from early 2024 when you were initially discussing the IPO with investors. So, very, very thankful for you to giving retail the opportunity to participate.
- Deepak Parasuraman:** No, no, thank you for trusting and being with us, sir, and supporting us. Thank you.
- Imran:** Sir, my questions are largely, you know, been answered. If you could maybe give some more color on the air turbine fuel, right? Because the impression that we have as an outsider is that

the fuel cost has gone up dramatically higher, right? So, if you could just reassure us that you would be able to, you know, pass 100% of it and it would not impact our operations at all because the times are really turbulent and it may prolong for, maybe for some more time. So, if you could just reassure us on that point and, you know, maybe help us a little better because that's the biggest, you know, elephant in the room right now.

Kannan Ramakrishnan: Okay. To answer your question, sir, we'll split that into two parts. Now, obviously, you know, the industry practices that, you know, complete pass-on of the fuel fluctuations, you know, to the end user through the freight forwarder freight forwarders as a fuel surcharge. This is the industry practice and that's what we also have been practicing it. But your point is very valid. The price increase is quite substantial. When it becomes substantial, whether the industry will absorb it is the question what you are trying to, you know, put across.

Now the question, I mean, your point is valid. Now let us look at, you know, what other options the industry has. The other option is the sea. Now the sea fares also has, consistently is on the moving upward north because of, you know, the same issues which have been faced, in the Persian Gulf as well as in the Red Sea. And the shipping, you know, the industry is also witnessing the similar kind of an issue.

Because of the vessels are not freely moving, the containers are not moving, the cost, there also is really, is going increasing every day. And so, the eventually the industry do not have alternate mechanism if they have to wish saying that air cargo has become expensive so I will not use it. So that is why we say that, this is been absorbed by the industry and we do not foresee a challenge that, it will be what you call not be absorbed by the industry because it's an essential need, point number one.

Point number two, within the given frame, this designated carrier, the benefit also plays a role because we stands to gain because of this, certification so that to within the escalation, we try to remain at the international level. We are not losing any benefit or we are not at a disadvantageous position because of the higher VAT we have to pay here in India. So that is also been nullified.

So that way that, we stands at a neutral level and we are very confident and we have also experiencing. And if you look at it, the jump between the March 31st to the April 1st is one of the steepest. The earlier the what was available as INR85,000 per KL has gone higher to INR2,24,000 per KL. But because of our, the designated carrier certification, the INR2,24,000, the fuel was offered to us at INR1,69,000.

That's the delta, you know, what we were saving. And even INR1,69,000 vis-à-vis INR85,000 was a very steep increase. But that itself, you know, in the month of April, the market has absorbed it because that much of pending cargo is there, the that is essential. But it has tapered down in May, it has got further tapered down in June. And, we hope that, at some point of time in the next quarter, it will settle down, to a reasonable level.

Imran: Got it. Got it. Just one last clarification I need. So, what percentage of our billing is in USD, if you can share that figure, if it is possible?

Kannan Ramakrishnan: 60% and above our billing is in USD, sir.

- Imran:** 60% more than 60%. And sir just a request. I have been trying to connect to you guys through, you know, your IR channel through Mr. Vaidyanathan and, if you could allow maybe a meeting per one-on-one or a virtual call, I think it would be very helpful because I don't want to waste time of others because I have bunch of questions. So, I think that would be very helpful. Thank you.
- Kannan Ramakrishnan:** Definitely, sir. If not, you know, physical meeting, at least we will try to connect virtually and we will definitely your point is noted, sir.
- Imran:** Sure. Thanks.
- Kannan Ramakrishnan:** Thank you.
- Tejas Vaity:** Thank you, Imran sir. Mr. Chetan, please go ahead.
- Chetan:** Can you hear me?
- Deepak Parasuraman:** Yes, sir.
- Chetan:** So, my question is on the new aircraft addition, two narrow-body by the quarter one of next year and one wide-body by March '27. So, on the financial liability front, are we sufficiently funded with respect to our receivables and cash on hand or any further fundraise would be required?
- Deepak Parasuraman:** Sorry, sir, I didn't get the question. Could you repeat with regard to fleet acquisition?
- Chetan:** No, no. The fleet to be added in financial year FY27, two narrow-body to be added in Q1 and one wide-body by end of this calendar year. So, my question is, have we have we paid all the necessary deposits and outstandings with respect to the addition of those aircrafts? And are we sufficiently funded to add all the four aircrafts to be added and any -- further fundraise would be required by at your end from the current levels?
- Kannan Ramakrishnan:** No, sir. We have been sufficiently, you know, taking care of it. In fact, the narrow-body addition of, you know, the fourth and fifth aircraft already everything has been done. It is the final, you know, the once the aircraft comes here, whatever, you know, the necessary, you know, the customs duty and some other smaller expenses need to be expensed out and for which we are completely covered, point number one.
- Point number two, with regards to the wide-body aircraft induction, we have raised, you know, the equity through preferential allotment of shares and QIB and that will take care of, you know, the expansion of, you know, addition of, you know, the 777 four units and starting from this calendar year end onwards. So we don't require any further, you know, the fundraise, you know, for the fleet expansion whatever we have envisaged and communicated.
- Chetan:** All right. I have more questions, I'll join back the queue. Thank you.
- Kannan Ramakrishnan:** Yeah.
- Tejas Vaity:** Thank you, Chetan sir. Yes, Mr. Pinkesh, kindly go ahead.

- Pinkesh:** Hello.
- Deepak Parasuraman:** Hi, Mr. Pinkesh. Please go ahead.
- Pinkesh:** Yeah. Yeah. Good afternoon, sir.
- Deepak Parasuraman:** Good afternoon, sir.
- Pinkesh:** Yeah. So sir, my first question is that in terms of what you call the trips, I was just looking at our Q4 data. So we realized 2.7 our yield was USD2.72 per kg while our full year average was USD2.54.
- Now considering the increase in the freight rates in the fourth quarter, we were expecting the yield to be much more higher. So now here does this higher proportion of pure charters come into play? So if you can just explain the dynamics of the charter, how does that play into the yield? Yeah.
- Kannan Ramakrishnan:** So in the Q4 if you look at it, 415, you know, the charters we have done out of the total 602 trips. And which means that, you know, we have done more charters. And, you know, yes, of course, you know, after the outbreak of the war from the March 1st onwards, there was sudden, you know, the change and sudden, you know, the demand build-up and, you know, the panic set in the market.
- And we had to, you know, oblige, you know, to the industry because we are not here for only the two aircraft operation. We have a fleet plan and we are getting additional aircrafts and we need to be closer to the market, closer to the fraternity. So we have done, you know, the more number of charters.
- That have helped the industry, that has also helped us, you know, to rotate our assets, you know, quite efficiently. And within the given opportunity, this is the maximum what we can able to do it, you know, in terms of pushing the volume, pushing the revenue. Yes, the market, the yields were hardened in the month of March. If we have done, you know, the more number of volume-based or the weight-based, you know, the cargo which we generally do, if we have done that, maybe, you know, our yield would have been better.
- But with the only two aircrafts with the set of crew what we have, with the kind of demand and pressure and also the trying to encash the opportunity of providing solution to the industry when it is stranded, this is the best what we would be in a position to do that, sir.
- Pinkesh:** Okay. Fine, sir. That answers. And secondly, sir, do you can you give us the breakup of the revenue by cargo type in terms of ODC, general cargo, hazardous and perishables?
- Kannan Ramakrishnan:** I will, you know, get you that thing, sir. You know, I mean, that data was not complete, you know, that's why I have not added that into my slide. And, you know, I will get that, you know, shared with you.

- Pinkesh:** No problem, sir. And lastly, lastly one quickly one last thing. When we say fuel is a pass-through, but Q4 our EBITDA margin was lower than Q3. So is my understanding correct that optically this looks lower because of the higher fuel cost and yeah, is that the reason?
- Kannan Ramakrishnan:** No, sir. I mean, the Ind AS adjustments are also there in in that. That is why quarter-wise build-up, you know, I have given it in a slide. If you look at it, then you will see that, you know, the EBITDA remains the same because the huge impact of the forex gain, sorry, forex loss has been built into that. And if you have to I mean, we'll have to remove that and see that, you know, to arrive at a proper EBITDA margin.
- Pinkesh:** Thank you, sir. Thank you.
- Deepak Parasuraman:** Thank you. Yeah.
- Tejas Vaity:** Thank you, Pinkesh sir. Yes, Surendra sir, please go ahead.
- Surendra:** Hi, sir.
- Deepak Parasuraman:** Hi.
- Surendra:** Yeah. Yeah. Thank you, sir. Thank you for the opportunity. And firstly, like congratulations for the fabulous set of numbers. It is not less than a blockbuster movie for me, so.
- Deepak Parasuraman:** Thank you, sir.
- Kannan Ramakrishnan:** Thank you.
- Surendra:** Yeah. So I have seen that we had a great like due to Middle East crisis in the month of March. So the same problem has happened in the like in the month of April and May. And so are we seeing like same kind of demand till April and May? And also the second question, sir, like I see the revenue run rate for the month of March 2026 is across like INR60 crore. And like can we see the same kind of monthly run rate at the time of additional demand and what's the monthly revenue run rate at the normal times?
- Kannan Ramakrishnan:** Sir, April and May definitely yes, the demand because the war did not get over in the month of April, the demand was there. But please understand that, you know, March, this was something, you know, complete the industry has not expected it. A sudden withdrawal of, you know, the capacity from the market created a panic.
- And so after a month's time, the people could understand this, you know, the situation and they could plan it better. So that mad rush and the panic and that also another important thing, March was the month of Eid, you know, in in the Middle East. And suddenly the entire movement of the cargo got stranded. And they were dependent on lot of imports.
- So these things have got little bit ironed out in the month of April and May. So the I would say that, you know, it is not at the same level of the panic, you know, what was there in the month of March, but it is definitely better than the average and the demand, you know, is definitely much better because the problem is not out of the ground, you know, completely.

- Surendra:** Sir, also on the, like monthly revenue run rate at the time of additional demand and normal demand. Can you answer for that please?
- Kannan Ramakrishnan:** The Q4 if you look at it, you know, the between the, what should I say, Jan, Feb and March, there is close to around, you know, 22%, 23% of, you know, the higher, you know, the performance in the month of March itself compared to the average of Jan and Feb actually.
- And so that was a kind of, you know, the additional demand, you know, what was there available. And now going forward, I would say that, you know, in the month of April and May, it is not at the same level, but it is definitely better than the monthly average.
- Surendra:** Yeah. Thanks.
- Kannan Ramakrishnan:** Yeah.
- Deepak Parasuraman:** Thank you, sir.
- Surendra:** Okay.
- Tejas Vaity:** Thank you, Surendra sir. Yes, Nishant sir, please go ahead. Before you go ahead, sir, there's a small announcement. As we have time constraints, we will be taking only three to four more questions. Yes, please go ahead.
- Nishant:** Sir, good afternoon.
- Deepak Parasuraman:** Good afternoon, sir.
- Nishant:** Sir, can you comment on the capacity utilization of existing three aircrafts? I understand the third aircraft utilization may be lower and would possibly start in coming months. But with the expansion in existing capacity, means how much utilization can be increased in the existing fleet size? And when the fourth and fifth plane would be coming, how do you see their capacity expansion in coming quarters also? Can you comment on that, sir?
- Kannan Ramakrishnan:** Yes, sir. I will just, you know, provide you the capacity current capacity utilization. So for the last year, the capacity utilization stands at, you know, overall year stands at 81.42% for the last year. And obviously that, you know, when I say 81.42%, it's on a gross weight basis.
- And definitely, you know, going forward, there is there is an opportunity to move further. And this 81.42% is also because, you know, the impact of the charter. And in majority of the domestic charters, it is only a one-way, you know, the cargo. Return leg, you know, is empty because the client pays for the entire round trip. So my trips are more, but whereas the cargo what I have carried was less because one way it was empty. So that is also the resultant of this.
- Nishant:** And, one clarification I want. As the new planes would be coming in next quarter, it would be functional from next quarter I believe. So how do you see their capacity utilization rising in coming quarters?

- Kannan Ramakrishnan:** It will be, sir. It will be. And again, you know, the it has a direct correlation with regards to the number of charters what we perform and number of non-charters, you know, the regular the charge-based, you know, the weight-based, you know, the trips what we, you know, we perform. It's a resultant, it's a combination of that.
- What is the, you know, the percentage of contribution from the charters will alter the overall, you know, the percentage of cargo utilization, I mean, the capacity utilization. But nevertheless, what is more important is we make a balance between the charter and this and we concentrate on per, you know, the revenue generated per trip, which is more important. And we are, you know, we are concentrating on the yield per kg. These are all the very vital, you know, the metrics, you know, what we progress on that.
- Nishant:** Thank you sir.
- Deepak Parasuraman:** Sir, to put it in brief, sir, the demand is high, we are short of capacity. And every aircraft that comes, every kg of capacity that we put in will be fully utilized.
- Nishant:** Thank you, sir. Thank you.
- Deepak Parasuraman:** Thank you, sir.
- Tejas Vaity:** Thank you so much, Nishant sir. Yes, Mr. Divyanshu, please go ahead. Mr. Divyanshu?
- Divyanshu:** Yeah. Thank you.
- Deepak Parasuraman:** Yes, sir. We can hear you, sir.
- Divyanshu:** Yeah. Congrats on the good set of numbers, sir. I just have a one question regarding the new flight, right, the new aircraft that has landed. What is the utilization, and if you if you can just throw a light that in this war situation, is it benefiting or it's like the realization or the you can say, the number of flights that you are flying is adversely impacted?
- Deepak Parasuraman:** Sir, as you will see from our March activity, definitely the war has provided us a larger opportunity, the demand is higher, freight rates have hardened. With regard to the third aircraft, yes, sir, the capacity utilization will be large. Currently the capacity is being reserved as I told earlier, fresh off C-check, we have a lot of contracted flying starting from the end of this month. So, I'm kind of low utilizing that aircraft to put it on that sector fresh off sea-check, so it'll operate for the next six months. I can really, we can flog the machine. So that's why it's being held for.
- Divyanshu:** And is it, would be, like that, that our aircrafts one and two is used to be for [inaudible 01:13:06], it would be from a particular route if you can just give us a highlight?
- Deepak Parasuraman:** No, no, sir. The aircraft will not be dedicated to a route, but it will be rotated across the route to have average utilization of aircrafts across the network. But when we have a aircraft fresh off C-check, that would take a higher load. That's with the increase of flight schedules from the end of this month.
- Divyanshu:** Understood. Thank you, sir.

- Deepak Parasuraman:** Thank you, sir.
- Tejas Vaity:** Thank you, Divyanshu sir. Mr. Praseen, please go ahead.
- Praseen:** Yes. Am I audible?
- Tejas Vaity:** Yes, sir.
- Deepak Parasuraman:** Hi, sir.
- Praseen:** Hi, sir. So first of all, congratulations on a great set of numbers and we trust you as a management and you are doing a great job for that.
- Deepak Parasuraman:** Thank you, sir.
- Praseen:** First question, sir, this question is on the fleet size like we are planning to as you said add two flights, maybe B737 by the end of next quarter and the remaining ones B777 by the end of FY, I mean, calendar – not calendar year '26, maybe FY27, that is what, correct me if I'm wrong. So, by going by that, I mean, if I'm not wrong, just correct me if I'm wrong, that current revenue per flight, I mean, it's close to INR20 crores or INR22 crores per month.
- So, if we add that capacity expansion in the next year maybe in the middle or maybe as you guided, so I hope that the new flight B777 will have a 5x more capacity than the existing one. So, the revenue potential as in -- per month revenue potential of that -- of those two B777, and then another two will be inducted, should be at least INR100 crores per month like that? Correct me if I'm wrong or I mean you can just comment on this point.
- Kannan Ramakrishnan:** Sir, we can't take a direct I mean, multiples of, because the capacity is five times more so the revenue also five times more. It is a function of how much we are going to utilize that aircraft. These are long-haul aircrafts which flies into the sectors which has got 10 hours plus 12 hours plus of the flying requirement. So, when you fly long haul, the rotation time also takes that longer. So, each of the trip a complete round trip, it will take around close to around 35, 30, 34, 35 hours plus while it comes back, we need four to five hours for engineering to make it airworthy again for the next trip.
- So, in all that we plan to utilize that aircraft 14 to 15 rotations per month. So given that and the sectors what we plan to operate on, and with the cargo load factor taken conservatively as 75%, we estimate each of the aircraft, the 777 will provide an average the revenue of three times from the current level of the 737-800's the revenue -- recorded revenue.
- Praseen:** Okay. Got it. So, and just one follow-up to that, like as you mentioned like so B that -- as you mentioned that currently the capacity utilization is close to 80% something, and because of this war you are having lot of demand, right?
- So, I'm just hoping, I mean, obviously we all hope that the war will end soon. So once the war ends, so I mean, can it have an impact on our revenue per flight because at that time the sea routes will be open? So, will it have any impact on the existing one, I mean, will it come down a little bit or it will normalize maybe in next six-seven months whenever the war ends?

Kannan Ramakrishnan: Sir, the demand the cargo growth is happening in this region only. That's various data, various data points, various statistics and various research analysis points, clearly that the growth of the air cargo happens in this region. So, we are well embedded in this region, and we cater to the demand generated in this region. So, we don't foresee that it's going to drop down because of -- the war has given some sort of the temporary boost from the already growing graph.

So, it has just given a temporary boost. But I'm sure that it will -- just to give you an analogy, sir. I mean, during the time of COVID the air cargo volume hit the roof and the prices also hit the roof. But when it, I mean, after year and a half or two years down the line, when things have got settled down, it does not mean that the air cargo rates have gone back to the pre-COVID levels. It has still stay it stayed back at the slightly higher than the pre-COVID level, but not to the extent of what happened during the time of COVID. So, I mean...

Deepak Parasuraman: Just to elaborate what Kannan sir is saying, pre-COVID prices and post-COVID prices the difference is much higher. It is not just the progressive increase in the price which should have happened year-on-year, but it is much higher. The prices did settle, but they didn't settle back to the old normal prices with its given escalation. It's gone much higher. The nice thing is that, what goes -- the only thing that goes up doesn't come down fully, is the prices and we like that.

Praseen: Okay, sir. Thank you. Thank you for that and again, please keep doing the great job. You're doing a great job. Thank you.

Deepak Parasuraman: Thank you, sir.

Tejas Vaity: Thank you, Praseen sir. Yes, Mr. Yatish, please go ahead.

Yatish: Hello, am I audible?

Deepak Parasuraman: Yes, sir.

Yatish: Congratulations, sir, on the great set of numbers. I had a specific question around your association with Nauru government. How has that been progressing and the joint venture which we had with them? And the MRO which was written out in the results of last quarter, how we are thinking about that setting up and what are the plans with MRO as a different segment for us?

Kannan Ramakrishnan: Yes, with Nauru the cooperation and the understanding is at a larger level, which is going progressing well, sir. And we unfortunately because of the nature of its content and the UPSI in nature, we will not be in a position to divulge much details right now. But at an appropriate time, we will -- the developments we'll keep communicating to the investor community through the Exchange. But I can broadly say that it is progressing well in the intended direction.

And of course, the MRO is a natural requirement for the airline. And that also is progressing well. And very soon that in the starting from the next quarter, and the activity towards that will pick up momentum, and it will get communicated to the investor's community. And overall, and Nauru team is very much interested and really serious, and to have this cooperation blossoming at a larger level.

- Yatish:** That's good to hear that. In MRO segment, just a follow-up, are we seeing that business to open up to third-party aircraft charter as well because India has a lot of cost to that?
- Kannan Ramakrishnan:** That is the that is the primary objective, sir. It's just not in-house maintenance.
- Yatish:** Got it.
- Tejas Vaity:** Thank you, Yatish sir. Mr. Hriday, please go ahead. Kindly unmute yourself.
- Hriday:** Thank you for the opportunity. Congratulations Kannan sir, Deepak sir on a phenomenal set of numbers. I think our growth has been supernormal and I wish you more of the same going forward. So, some clarity needed on the future of the 777. So, we've raised INR200 crores in our PREF and now INR200 crores in the QIP as well. So, my understanding is, we're looking to acquire four wide-bodies and not two. You mentioned only two on this call.
- Deepak Parasuraman:** Four, sir. It's the entire four. Somebody was asking by end of this year, that's why we stuck, but actually it is four. And for financial closure for the entire four has happened.
- Hriday:** So, when do you think, we'll have a full fleet of the 5 plus 4 which is 9 aircrafts?
- Deepak Parasuraman:** Sometime by the mid of next year, sir. That is the second half of next calendar year, we will have the entire fleet operational.
- Hriday:** So now on the on the projections, you mentioned that we should take an average of 3x of the 737s. In Q3 we were averaging about INR25 crores a plane and now we've averaged about INR31 crores which is a spike up due to the war. So, basis the guidance you've given, you're basically hinting at about INR75 crores a month on the 777s, is that correct?
- Kannan Ramakrishnan:** Correct, yes.
- Hriday:** And could that be higher or this is a conservative number?
- Kannan Ramakrishnan:** This is a very conservative estimate.
- Deepak Parasuraman:** This is conservative sir. We want to and we will do higher numbers.
- Hriday:** Understood sir. Yes, because I think the capacity is five times that of a 737, right?
- Deepak Parasuraman:** That's right.
- Hriday:** Got it. So also, can you can you elaborate a bit on the routes that we're going to operate for these wide-bodies?
- Kannan Ramakrishnan:** That we don't want to divulge here, sir. I mean, that's a sensitive information, and we will communicate at an appropriate time.
- Hriday:** Understood. So now on the costs and the revenue, you have mentioned that the ATF is entirely a pass-through. So just wanted to understand this quarter, we've seen our revenue yield grow

from \$2.56 to \$2.72 cents, which is a \$0.16 increase. But our costs have increased \$0.50 despite ATF being passed on. What is the reason there?

Kannan Ramakrishnan: So, as I mentioned, sir, the cost is after giving -- see from the balance I mean, from the P&L whatever has been charged with regards to the forex the losses, because they have done a restatement the entire deposits and other stuff, the lease rentals and everything has been restated and the forex losses has been booked. And basis which the final costing has been arrived. And similarly, the maintenance reserve, which is earlier was not charged to the P&L. Here the maintenance reserve is charged to the P&L, that is also impacting the cost.

Hriday: Understood. Very clear. Very clear. So going by the estimates you're giving, I think next year looks like it's going to be even better. So, wish you all the best and look forward to...

Deepak Parasuraman: Thank you, sir.

Tejas Vaity: Thank you, Mr. Hriday. So, as we are running out of time, we will have to conclude the call over here. So, thank you everyone for joining the conference call of AFCOM HOLDINGS Limited. If you have any queries, you can reach out to us at research@kirinadvisors.com. Once again, thank you.

Deepak Parasuraman: Thank you so much. Bye.

Kannan Ramakrishnan: Thank you. Have a great day. Bye.

Tejas Vaity: Thank you Kannan sir. Thank you. Have a great day.